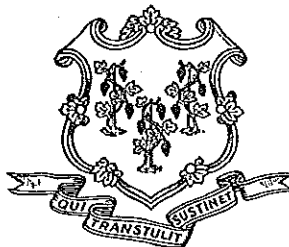


SENATOR GARY D. LeBEAU

Third District

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State of Connecticut

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March 12th, 2012

Senate Co-Chair Andrew Maynard
House Co-Chair Representative Tony Guerrero
Transportation Committee
300 Capitol Avenue
Hartford, CT 06106

Dear Chairs, Vice Chairs, Ranking Members and Members of the Transportation Committee:

I submit this testimony in support of *Senate Bill 385: An Act Defining Owner Operators in the Motor Carrier Industry* and I thank the Committee for raising the bill.

As you know, the economic recession has caused great difficulty for many business sectors, including transportation. In Connecticut, we have the opportunity to codify an existing business practice in the trucking business that will help preserve jobs, incentivize small business formation and keep Connecticut competitive with surrounding states.

As the Chairman of the Commerce Committee, this issue is important to me from the standpoint of job preservation and creation. It is also important to me as the Senator from the 3rd District. Although a significant number of Connecticut-based trucking companies have gone out of business in recent years, many still remain in the East Hartford-South Windsor region - especially moving companies that choose my district as their place of business due to the convenience to major highways.

The slowdown in the real estate market has had a significant impact on the profitability of moving companies as home sales drive the demand for moving services. Earlier this year, I met with several moving companies located in my district to discuss the issue of owner operators used as independent contractors specifically for moving companies and for motor carriers in general.

The business model that exists for many of these moving companies is the established industry practice of using owner operators as independent contractors. Most importantly, this business model is an opportunity for individual truck drivers to start their own businesses and pursue a dream of entrepreneurship. This is their choice.

Unlike other industries where independent contractor status is used to avoid classifying workers as full-time employees, owner operators choose to be independent contractors because they can earn more money, have the freedom to work when they want for who they want, and can grow a successful business with limited start-up costs. While many owner operators do not have a college degree, they are able to make the capital investment of a new or used truck and work for one or more motor carriers.

Passage of this legislation will allow owner operators to continue to function as they have for decades, including preserving the option of working for only one motor carrier. I urge support of the committee bill and look forward to working with you to enact this legislation.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Gary LeBeau".

Gary LeBeau
State Senator, 3rd District